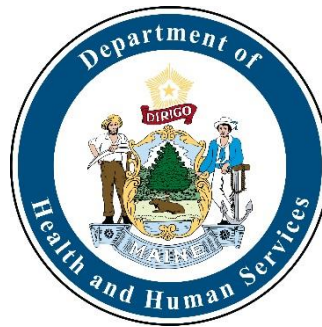


# MaineCare Rate Reform Expert Technical Advisory Panel

October 13, 2022



# Agenda

- Introductions
- LD 1867, now P.L. 2021, Chapter 639
- MaineCare Rate Determination Schedule Goals
- Rate Determinations
  - Accomplished to date
  - Required per legislation
  - Public commitments prior to Ch 639
  - Recommended for initiation through CY2023
  - Remaining services
- Next Steps
- Public Comment

# Introductions: TAP Members

Panel Member Organization	Participant Name
Maine Health Data Organization	Karynlee Harrington – Executive Director
Professional and Financial Regulation, Bureau of Insurance	Marti Hooper – ASA, MAAA, Life and Health Actuary
Professional and Financial Regulation	Joan Cohen – Deputy to the Commissioner
DHHS Division of Licensing and Certification	Heather Hyatt – Assoc Director, Community HealthCare Programs
Office of Affordable Health Care	<i>OAHC does not yet exist</i>
Department of Labor	Mark McInerny – Director of Workforce Research & Information
Department of Administrative and Financial Services	Amanda Rector – State Economist

# LD 1867, now Public Law 2021, Chapter 639

New stand-alone section of Maine law enacted in 2022 codifying process and principles for MaineCare Rate System

1. Sets schedule for regular rate review and adjustment
  - Annual updates to rates benchmarked off Medicare or other payers
  - For non-benchmarked rates:
    - Department annually develops schedule of rate determination for coming year
    - Rates not being re-determined per schedule receive annual cost of living adjustments
2. Ensures review of relevant state and national data to inform rate amounts and payment models, with emphasis on models that promote high value services by connecting reimbursement to performance
3. Formalizes clear and transparent process for rate determination
  - Public notice, public presentation and comment on proposed rates, and a public response to comments
  - Establishment of rate system subcommittee to MaineCare Advisory Committee
4. Establishes Technical Advisory Panel

# LD 1867, now Public Law 2021, Chapter 639

On an annual basis, MaineCare will consult with the Rate Reform Expert Technical Advisory Panel (TAP) for input on the Rate Determination Schedule. Once the TAP has been consulted, the Department will:

1. Share the proposed schedule to the Department's public website.
2. Provide a public forum for interested stakeholders to review and provide comment.
3. Provide a summary of comments on the Department's public webpage.
4. Conduct off-schedule rate determinations as the Department determines to be appropriate

# Finalization of Rate Determination Schedule - Timeline

<b>13-Oct</b>	<p>TAP Consultation: review DRAFT Rate Determination Schedule for coming year.</p> <ul style="list-style-type: none"> <li>- Includes summary of rate reform work since 2020, work in progress and planned</li> <li>- Department draft recommendations for schedule through CY23</li> </ul>
<b>Week of 17-Oct</b>	Post proposed Rate Determination Schedule to the Department's public website.
<b>24-Oct</b>	MaineCare Advisory Committee (MAC), Rate Reform Sub-Committee will meet to discuss
<b>26-Oct</b>	Public Forum for interested stakeholders to provide comment on draft schedule.
<b>1-Nov</b>	MAC Rate Sub-Committee may present any recommendations to the MaineCare Advisory Committee (MAC).
<b>9-Nov</b>	Deadline for public comments on Proposed Rate Determination Schedule
<b>Week of 21-Nov</b>	The Department will post a summary of all comments online per the requirements of P.L. 2021, Ch 639
<b>Week of 5-Dec</b>	Department will finalize and post Rate Determination Schedule

# MaineCare Rate Determination Schedule Goals

- Complete rate determination processes for all Sections of MaineCare to get to 'baseline,' where they all have rates developed in compliance with P.L. 2021, Ch 639, by the end of FY2026
- Once a section is at baseline, it will transition to a regular schedule for adjustments
- Where possible, conduct rate determination for like services across sections of policy at one time.
- Achieve data-driven, equitable rate adjustments across all services prior to "revisiting" a section earlier than planned

# Rate Reform: Accomplished So Far

Policy Section	Services	Why Implemented	Effective Dates	Further Section change needed for full Ch 639 compliance?
18, 20, 21, 29: Home and Community Based Services (HCBS) for Members with IDD or Autism	<ul style="list-style-type: none"> <li>• Home Supports</li> <li>• Community Supports</li> <li>• Supported Employment</li> </ul>	<ul style="list-style-type: none"> <li>• Outdated, legacy rate models;</li> <li>• Support living wages</li> </ul>	<ul style="list-style-type: none"> <li>• 2020 for Supported Employment</li> <li>• 2021 for Home and Community Supports</li> <li>• 2022 labor components updated per Part AAAA</li> </ul>	<ul style="list-style-type: none"> <li>• 18, 29: none needed</li> <li>• 20, 21: Nursing and clinical services</li> <li>• 102 Rehabilitative Services: Nursing &amp; Clinical and Supported Employment services</li> <li>• 20, 21, 29: Additional adjustments needed to account for sleep staff and shared living rate changes beyond pandemic</li> </ul>
12- Consumer Directed Attendant Services 19- HCBS for Older adults & those with physical disabilities 96- Private Duty Nursing	<ul style="list-style-type: none"> <li>• Personal Care Services</li> </ul>	Outdated rate models; need for adjustments to support living wages	<ul style="list-style-type: none"> <li>• 12, 19, 96: Rate Studies implemented in 2020; Labor components updated in Jan 2022 per Part AAAA.</li> <li>• 26: rate study in progress for Jan 2023 effective date</li> </ul>	<ul style="list-style-type: none"> <li>• 12: none needed</li> <li>• 19, 96: Nursing and clinical services</li> <li>• All personal care services across sections will be in compliance when Sec 26 Day Health rates become effective Jan 2023.</li> </ul>



# Rate Reform: Accomplished So Far, cont.

Policy Section	Services	Why Implemented	Effective Dates	Further Section change needed for full Ch 639 compliance?
Section 97D: Children's Residential Care Facilities	Children's Residential Care Facilities	<ul style="list-style-type: none"> <li>• Outdated, legacy rate models</li> <li>• New federal quality standards</li> </ul>	021 for Children's Residential Care Facilities	Therapeutic Foster Care
Section 5: Ambulance Services	Medicare codes/ services	Legislation	2022	Non- Medicare codes
25- Dental Services	Comprehensive adult and children's dental	Rate Study Evaluation - areas of greatest need	2022	None needed. Rates will be updated to rebased benchmarks for July 2024.

# Rate Reform: Accomplished So Far, cont.

Policy Section	Services	Why Implemented	Effective Dates	Further rate change needed for Baseline Ch 639 compliance?
14- Advanced Practice Registered Nursing 15- Chiropractic Services 68- Occupational Therapy 75- Vision 85- Physical Therapy 90- Physician 95- Podiatry 101- Medical Imaging 109- Speech and Hearing		Rate Study Evaluation - areas of greatest need  Inconsistent, inequitable reimbursement across sections.  Standardized percentage of Medicare (72.4%) and use of current year's rates	2022	Non-Medicare codes need to be addressed.
89- MaineMOM	Integrated opioid tx and perinatal care for pregnant/postpartum people/their infants	New service	2022*	None needed

\*Federal approval effective July 1, 2022. Rulemaking in progress.

# Rate Reform: Additional Related Accomplishments to Date (not full rate determination efforts)

Policy Section	Services	Why Implemented	Effective Date
67- Nursing Facility Services	NF 125% min wage adjustment	P.L. 2021 Ch. 398, Part AAAA	7/1/2022
97- Private Non-Medical Institution, Appendix C-Medical & Remedial	RCF 125% min wage adjustment		7/1/2022
13- Targeted Case Management Services 17- Community Support Services 23- Developmental and Behavioral Clinic Services 28- Rehabilitative and Community Support Services for Children with Cognitive Impairments and Functional Limitations 30- Family Planning Agency Services 40- Home Health Services 65- Behavioral Health Services 91- Health Home Services - Community Care Teams 92- Behavioral Health Home Services 93- Opioid Health Home Services 97- Private Non-Medical Institution Services, Appendix D-Therapeutic Foster Care 102- Rehabilitative Services	All Services: COLA Rate Adjustments (4.94% equal to the percentage increase in the state minimum wage for 1/1/2022)	P.L. 2021 Ch.398, Part 000	7/1/2022

# Rate Reform: In Progress, per Legislation

Policy Section	Public Law
2- Adult Family Care Homes	P.L. 2021 Ch.398, Part AAAA
26- Day Health	
17- Community Support	P.L. 2021, Ch. 398, Part AAAA;  P.L. 2021, Ch. 635
28- Children's Rehabilitative & Community Support, including school health-related services	
65- Behavioral Health, including crisis and school health-related	
107- Psychiatric Residential Treatment Facility	P.L. 2021, Ch. 635
13- Targeted Case Management	Department priority (appropriation in P.L. 2021, Ch. 635)
60- DME Phase 1 (100% of Medicare, rural/non-rural, and DME index COLA for non Medicare)	
31- Federally Qualified Health Centers (FQHCs) Rebasing	P.L. 2021 Ch. 747
45 – Acute inpatient distinct psychiatric units and Substance Use Disorder units (for medically supervised withdrawal)	P.L. 2021, Ch. 635

# Rate Reform: Planned, per Legislation

Policy Section	Public Law
TBD- Palliative Care	LD/BI (LD 1064, 9817 HCBS plan)
93- Opioid Health Home, including new model for other SUDs	P.L. 2021, Ch. 635, Part JJJ
25- Dental (for rebasing of benchmarks)	P.L. 2021, Ch. 639

# Rate Reform: Public Commitments Prior to Ch 639 Becoming Law – In Progress

Policy Section	Services	Why
92- Behavioral Health Home		Alignment with other behavioral health rate studies to ensure equitable rates across providers for similar services. Utilization of model to develop Hi-Fidelity Wraparound model to help address DoJ findings regarding inadequacy of CBH system.
TBD	National Diabetes Prevention Program (NDPP)	P.L. 2021, Ch. 398, Sec. A-17
45, 46 - Hospitals		Many hospital reimbursement methodologies outdated and/or do not incent quality or cost effective care.
23- Developmental and Behavioral Clinic Services	Foster Care Comprehensive Health Assessment	Adding new service to Section 23, to conform with 22 MRSA Section 4063-A(3) requirement that the comprehensive assessment at the time a child enters state custody be reimbursed under MaineCare.

# Rate Reform: Public Commitments Prior to Ch 639 Becoming Law – Under Procurement

Section	Policy Service	Why
67, 97 C	Nursing Homes and Residential Care Facility Reform	Current cost settlement system is administratively burdensome, does not incent quality of care or reward cost effectiveness.
30	Family Planning	Current reimbursement does not reflect team-based, patient-centered approach to integrated care

# Rate Reform: Public Commitments Prior to Ch 639 Becoming Law – Planned

Section	Services	Why
Ch. VI Sec 3	Primary Care Plus (PCPlus)	Department goal to support primary care services and incent high-quality care
TBD	Certified Community Behavioral Health Clinics (CCBHC)	Department goal to increase access to high-quality, comprehensive behavioral health services
20, 21, 29	Home Supports & Shared Living	Need to make rate adjustments to account for sleep staff and multiple-person shared living rates



# Rate Reform: Other Department Schedule Recommendations through CY23

Policy Section	Services
97 D (limited to one service)	Therapeutic Foster Care
97 Private Non-Medical Institution (PNMI) E & F	Community Residences for Persons with Mental Illness (PNMI E) and Non-Case Mixed Medical and Remedial Facilities (PNMI F)
Secs 19, 20, 21, 40, 96, 102 (limited to certain services)	Home and Community-Based Services: Nursing & Clinical Services only
TBD (new service)	Community Paramedicine

# Therapeutic Foster Care, Sec 97, Appendix D

- 1. Service:** family-based model for children in DHHS custody with behavioral and/or developmental health needs at high risk of hospitalization or care outside the home/ community, to prevent need for care in institutional setting. Key interventions and supports provided by therapeutic foster parents who are trained, supervised, and supported by qualified therapeutic foster care provider staff.
- 2. Rates last adjusted:** July 2022 COLA, last adjusted 2016
- 3. Known rate methodology:** no record
- 4. Priority from Rate System Evaluation:** Residential Care Facilities under Sec 97-D were undergoing a rate study at time of evaluation. This sub-service was not specifically called out.
- 5. Rationale for prioritization:** The U.S. Department of Justice found in June 2022 that “a lack of support for foster care parents who provide specialized care to children with behavioral health needs” is one barrier in Maine to sufficient access to children’s behavioral health services in the community to prevent a reliance on residential facilities and institutions.

# Community Residences for Persons with Mental Illness (Sec 97, App E)

- 1. Service:** A community residence with integral mental health treatment and rehabilitative services, licensed by the Department, overseen by the Office of Behavioral Health
- 2. Rates last adjusted for these services:** Rates may be adjusted annually by request
- 3. Known rate methodology:** Individual rates based on budget submission/ review
- 4. Priority from Rate System Evaluation:** SFY22
- 5. Rationale for prioritization:**
  - Cost settlement and budget-based reimbursement provide no incentive for cost efficiency and result in inequity across providers.
  - Need rate methods designed to meet diversity of needs within and across service models. Rate determinations for Apps E & F should be conducted together given overlap in service models between some facilities.

# Non-Case Mixed Medical and Remedial Facilities (Sec 97, App F)

- 1. Service:** medical and remedial treatment services to members in specialized or scattered site facilities with specific diagnoses such as acquired brain injury, HIV/AIDS, intellectual or developmental disability, or blindness.
- 2. Rates last adjusted for these services:** N/A
- 3. Known rate methodology:** cost settlement based on cost reports
- 4. Priority from Rate System Evaluation:** SFY24 or later
- 5. Rationale for prioritization:**
  - Cost settlement and budget-based reimbursement provide no incentive for cost efficiency and result in inequity across providers.
  - Need rate methods designed to meet diversity of needs within and across service models. Rates for Apps E & F should be conducted together given overlap in service models between some facilities.

# Home and Community-Based: Nursing & Clinical Services Only (w/in Secs 19, 20, 21, 40, 96, 102)

- 1. Service:** Nursing and clinical services such as physical, occupational and speech therapies provided in home- and community-based settings.
- 2. Rates last adjusted for these services:**
  - Secs 19 & 96: Jan 2022 COLA, full rate studies implemented 2016-2018
  - Sec 20: Jan 2022 COLA, ~2013 adjustments
  - Sec 21: Jan 2022 COLA, Jul 2018 adjustments
  - Sec 40: Jul 2022 COLA, Jan 2019 legislated rate increase
  - Sec 102: Jul 2022 COLA, 2010 last major update
- 3. Known rate methodology:**
  - Secs 19, 20, 96: 2016 Burns rate studies
  - Sec 21, 40, 102: no record
- 4. Priority from Rate System Evaluation:** Services were combined with personal care services under same sections. Recommended for rate study in SFY24.
- 5. Rationale for prioritization:**
  - Severe state and national labor shortages for nursing
  - Demonstrated reductions in utilization of services, despite increased need during pandemic
  - Inequity between similar/ same services provided in other settings

# Community Paramedicine

## (New service, Sec TBD)

- 1. Service:** Public health, primary healthcare, and preventive services provided by paramedics and Emergency Medical Technicians (EMTs) operating in expanded roles in the community.
- 2. Rates last adjusted for these services:** N/A
- 3. Known rate methodology:** N/A
- 4. Priority from Rate System Evaluation:** N/A
- 5. Rationale for prioritization:**
  - Funding under CDC Health Equity grant to develop service model
  - Service model utilizes EMS infrastructure to address gaps in access to services, especially for rural residents

# Rate Reform: Department Schedule Recommendations for Beyond CY23

Policy Sections	Service category (if applicable)	Related Rate Adjustments	Rationale for Implementation Order
Section 3: Ambulatory Care Clinic Services		2010 timeframe	Assess with goal of benchmarking to Medicare Fee Schedule where possible. Rate study required for school health clinics.
Section 5: Ambulance Services	Non-Medicare codes/ services	Apr 2022 rate adjustments to align with Medicare codes	Non-Medicare codes need to be re-assessed to bring Sec 5 into baseline compliance.
Section 7: Free-Standing Dialysis		2010 timeframe	<ul style="list-style-type: none"> <li>• Current rate methodologies represent a mix of approaches without a clear rationale for differences.</li> <li>• Adopt a Maine-specific fee schedule for all services, using Medicare as a starting point.</li> </ul>

# Rate Reform: Department Schedule Recommendations for Beyond CY23, Cont.

Policy Sections	Service category (if applicable)	Related Rate Adjustments	Rationale for Implementation Order
Sec 14 Advanced Practice Registered Nurse (APRN)/ Certified Registered Nurse Anesthetist (CRNA) Services Sec 15 Chiropractic Sec 30 Family Planning Services Sec 68 Occupational Therapy Sec 75 Vision Sec 85 Physical Therapy Sec 90 Physician Services Sec 95 Podiatry Sec 101 Medical Imaging Sec 109 Speech/ Hearing Therapy	Non-Medicare codes/ services	Jul 2022 alignment to 72.4% of current year Medicare	Non-Medicare codes need to be re-assessed to bring these Sections into baseline compliance.
Section 23: Developmental and Behavioral Clinic Services		<ul style="list-style-type: none"> <li>Foster Care Health Assessment rate in progress</li> <li>2018 2% adjust.</li> </ul>	<ul style="list-style-type: none"> <li>Assess appropriateness of Medicare rates for benchmarking.</li> </ul>
Section 43: Hospice		Updated annually	<ul style="list-style-type: none"> <li>Assess in comparison to CMS-published rates</li> </ul>



# Rate Reform: Department Schedule Recommendations for Beyond CY23, Cont.

Policy Sections	Service category (if applicable)	Related Rate Adjustments	Rationale for Implementation Order
Section 50: Intermediate Care Facilities for Individuals with Intellectual Disabilities (ICFs-IDD )		Updated annually	<ul style="list-style-type: none"> <li>Out of date methodology, partly cost settlement, partly reliant on budget requests to fund staffing.</li> </ul>
Section 55: Laboratory Services		2010 timeframe	Update to a revised percent of a more current Medicare Fee Schedule. Medicare has implemented rate decreases as well as increases.
Section 60: Medical Supplies and DME (certain services only)	Non-Medicare codes/ services only	2010 timeframe; Planned Jan 2023 effective date for adjustments to align Medicare codes	Non-Medicare codes need to be re-assessed to bring Sec 60 into baseline compliance.
Section 91: Health Homes	Community Care Team (CCT) only	<ul style="list-style-type: none"> <li>2013 for CCT</li> <li>New HOME program implemented in this section in 2022</li> </ul>	<ul style="list-style-type: none"> <li>Determine whether makes sense to conduct along with PCPlus or palliative care initiatives. Requires new rate study.</li> </ul>

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# Public Comment

# Resources

## MaineCare Rate Setting Team

- [Michelle.Probert@maine.gov](mailto:Michelle.Probert@maine.gov) MaineCare Director, interim TAP facilitator
- [David.Jorgenson@maine.gov](mailto:David.Jorgenson@maine.gov), Director of Data Analytics
  - [Peter.J.Kraut@maine.gov](mailto:Peter.J.Kraut@maine.gov), Manager of Rate Setting
  - [Amanda.Lee@maine.gov](mailto:Amanda.Lee@maine.gov), Rate Setting Coordinator
- [Jennifer.Patterson@maine.gov](mailto:Jennifer.Patterson@maine.gov), Director of Policy

## P.L. 2022, Ch, 639

## MaineCare Benefits Manual

## MaineCare Rate System Reform website